

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 58 – SB 999

March 17, 2013

SUMMARY OF BILL: Changes the method for payment of current debt by requiring the State Funding Board to certify to the Department of Finance and Administration (F&A) the amount necessary for state debt obligations. Upon certification from F&A, requires the State Funding Board to submit required information to the State Treasurer for payment of such debts. Updates other various provisions of public financing requirements.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – According to the Comptroller, passage of this bill could lead to higher bond ratings that could subsequently reduce the cost of debt for the state. Otherwise, the fiscal impact for the bill is estimated to be not significant.

Assumptions:

- According to the Comptroller of the Treasury, there will not be a significant fiscal impact resulting from the implementation of this bill. However, there is a chance that national bond rating agencies may take these new provisions into account when evaluating the state. This may lead to higher bond ratings in the future which would lower the cost of debt.
- According to the Department of Treasury, enactment of the bill will not require additional resources.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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